

DEBTOR EASY STREET HOLDING

MONTHLY OPERATING REPORT

CASE NO. 09-29905

CHAPTER 11

Form 2-A  
CASH RECEIPTS AND DISBURSEMENTS STATEMENT

For Period October 1 - 31, 2009

Accounting Method

☒

Accrual Basis

☐

Cash Basis

**THIS REPORT IS DUE 15 DAYS AFTER THE END OF THE MONTH**

Mark On Box Each  
Required Document

Debtor must attach each of the following reports/documents unless the U.S. Trustee has waived the requirement in writing. File the original with the Clerk of Court. Submit a duplicate, with original signature, to the U.S. Trustee

Report /Document Waived	Previously Waived	REQUIRED REPORTS / DOCUMENTS
<input checked="" type="checkbox"/>	<input type="checkbox"/>	1. Cash Receipts and Disbursement Schedule (Form 2-B)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	2. Balance Sheet (Form 2-C)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	3. Profit and Loss Statement (Form 2-D)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	4. Supporting Schedules (Form 2-E)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	5. Quarterly Fee Summary (Form 2-F)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	6. Narrative (Form 2-G)
<input checked="" type="checkbox"/>	<input type="checkbox"/>	7. Bank Statements for All Bank Accounts
<input checked="" type="checkbox"/>	<input type="checkbox"/>	8. Bank Statement Reconciliations for all Bank Accounts

**I declare under the penalty of perjury that the following Monthly Operating Report, and any attachments thereto are true, accurate, and correct to the best of my knowledge and belief.**

Executed on

Nov. 14, 2009

Print Name

WILLIAM SHAF.

Signature

Title

UPHOLDER.

DEBTOR EASY STREET HOLDING

CASE NO.

09-29905

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

**For Period October 1 - 31, 2009**

**CASH FLOW SUMMARY**

**CURRENT  
MONTH**

**ACCUMULATED**

**1. Beginning Cash Balance**

\$ - 1 \$ - 1

**2. Cash Receipts**

Operations	\$ -	\$ -
Sales of Assets	\$ -	\$ -
Loans / Advances	\$ -	\$ -
Other	\$ -	\$ -

**Total Cash Receipts**

\$ - \$ -

**3. Cash Disbursements**

Operations	\$ -	\$ -
Debt Service/Secured Loan Payment	\$ -	\$ -
Professional Fees/US Trustee Fees	\$ -	\$ -
Other	\$ -	\$ -

**Total Cash Disbursements**

\$ - \$ -

**4. Net Cash Flow (Total Cash Receipts  
less Total Cash Disbursements)**

\$ - \$ -

**5. End Cash Balance (to Form 2-C)**

\$ - 2 \$ - 2

**CASH BALANCE SUMMARY**

**Financial  
Institution**

**Book  
Balance**

Petty Cash		
DIP Operating Account		\$ -
DIP State Tax Account		\$ -
DIP Payroll Account		\$ -
Other Operating Account		\$ -
Other Interest Bearing Account		\$ -
<b>TOTAL</b>		<b>\$ -</b>

3

(must agree with Ending Cash Balance above)

**DEBTOR** EASY STREET HOLDING

**CASE NO.**

09-29905

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**

**For Period October 1 - 31, 2009**

**CASH RECEIPTS DETAIL**

*(ATTACH ADDITIONAL SHEETS AS NECESSARY)*

Date	Payer
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**Account No.**

**Description**

**Amount**

**Total Cash Receipts**

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1

**DEBTOR** EASY STREET HOLDING

**CASE NO.**

09-29905

**Form 2-B**  
**CASH RECEIPTS AND DISBURSEMENTS STATEMENT**  
**For Period October 1 - 31, 2009**

**CASH DISBURSEMENTS DETAIL**

**Account No.**

Date	Payer	Description	Amount
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**Total Cash Disbursements**

                     1

(1) Total for all accounts should agree with the total cash disbursements listed on Form 2-B, page 1

**DEBTOR**

EASY STREET HOLDING

**CASE NO.**

09-29905

**Form 2-C**  
**COMPARATIVE BALANCE SHEET**  
**For Period Ending October 31, 2009**

	<b>CURRENT MONTH</b>	<b>ACCUMULATED</b>
<b>ASSETS</b>		
Current Assets		
Cash (from From 2-B, Line 5)	\$ -	\$ -
Accounts Recievable (from From 2-E)	\$ -	\$ -
Receivable from Officers, Employees, Affiliates	\$ -	\$ -
Inventory	\$ -	\$ -
Other Current Assets		
Total Current Assets	<u>\$ -</u>	<u>\$ -</u>
Fixed Assets		
Land	\$ -	\$ -
Building	\$ -	\$ -
Equipment, Furniture & Fixtrues	\$ -	\$ -
Total Fixed Assets	\$ -	\$ -
Less: Accumulated Depreciation		
Net Fixed Assets	<u>\$ -</u>	<u>\$ -</u>
Other Fixed Assets	<u>\$ 4,435,789.00</u>	<u>\$ 4,435,789.00</u>
<b>TOTAL ASSETS</b>	<u><u>\$ 4,435,789.00</u></u>	<u><u>\$ 4,435,789.00</u></u>
<b>LIABILITIES</b>		
Post Petition Accounts Payables (Form 2-E)	\$ -	\$ -
Post Petition Accrued Professional Fees(Form 2-E)	\$ -	\$ -
Post Petition Taxes Payable (Form 2-E)	\$ -	\$ -
Post Petition Notes Payable	\$ -	\$ -
Other Post Petition Payables	\$ -	\$ -
Total Post Petition Liabilities	<u>\$ -</u>	<u>\$ -</u>
Pre Petition Liabilities		
Secured Debt	\$ -	\$ -
Priority Debt	\$ -	\$ -
Unsecured Debt	<u>\$ 539,742.56</u>	<u>\$ 539,742.56</u>
Total Pre Petition Debt	<u>\$ 539,742.56</u>	<u>\$ 539,742.56</u>
<b>TOTAL LIABILITIES</b>	<u><u>\$ 539,742.56</u></u>	<u><u>\$ 539,742.56</u></u>
<b>OWNER EQUITY</b>		
Owner/Stockholder Equity	\$ 3,896,046.00	\$ 3,896,046.00
Retained Earnings - Prepetition	\$ -	\$ -
Retained Earnings - Post Petition	\$ -	\$ -
TOTAL OWNERS EQUITY	<u>\$ 3,896,046.00</u>	<u>\$ 3,896,046.00</u>
<b>TOTAL LIABILITIES &amp; OWNER EQUITY</b>	<u><u>\$ 4,435,788.56</u></u>	<u><u>\$ 4,435,788.56</u></u>

EASY STREET HOLDINGS	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
CBIZ Accounting	0.00	0.00	0.00	0.00	12,048.67	12,048.67
CloudNine Resorts SL- Developement	0.00	0.00	0.00	0.00	422,737.67	422,737.67
David Wickline	0.00	36.66	0.00	0.00	1,499.30	1,535.97
Frank Rimerman & Co. LLP	12.51	1,381.03	0.00	0.00	0.00	1,393.55
Goodrich & Thomas, CPAs	0.00	4,655.00	0.00	0.00	11,445.00	16,100.00
Klehr,Harrison,Harvey,Branzburg & Ellers	0.00	0.00	13,621.86	4,912.31	0.00	18,534.17
Les Olson Company	687.50	0.00	0.00	0.00	0.00	687.50
Luxury Residence Group	2,003.99	1,935.09	1,929.98	1,926.30	17,111.66	24,907.04
McGladrey & Pullen	0.00	0.00	0.00	0.00	5,000.00	5,000.00
Merrit & Harris	0.00	0.00	0.00	0.00	1,066.67	1,066.67
Millcreek Constulting	0.00	0.00	0.00	0.00	33,348.00	33,348.00
Park City Surveying	0.00	0.00	0.00	0.00	638.33	638.33
Pitney Bowes	0.00	53.86	0.00	0.00	0.00	53.86
Shaner Design, Inc.	0.00	840.00	0.00	245.00	280.00	1,365.00
Staples Credit Plan	194.86	131.27	0.00	0.00	0.00	326.13
	2,898.86	9,032.91	15,551.84	7,083.61	505,175.30	539,742.56

D EASY STREET HOLDING

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CASE NO.

09-29905

**Form 2-D**  
**PROFIT AND LOSS STATEMENT**  
**For Period October 1 - 31, 2009**

	<b>CURRENT MONTH</b>	<b>ACCUMULATED</b>
Gross Operating Revenues	\$ -	\$ -
Less: Discounts, Returns, Allowances	\$ -	\$ -
<b>Net Operating Revenue</b>	\$ -	\$ -
Cost of Goods Sold	\$ -	\$ -
<b>Gross Profits</b>	<u>\$ -</u>	<u>\$ -</u>
Operating Expenses		
Officer Compensation	\$ -	\$ -
Selling, General & Administrative	\$ -	\$ -
Rents & Leases	\$ -	\$ -
Depreciation, Depletion, & Amortization	\$ -	\$ -
Others	\$ -	\$ -
Total Operating Expenses	<u>\$ -</u>	<u>\$ -</u>
<b>Operating Income (Loss)</b>	<u>\$ -</u>	<u>\$ -</u>
Non Operating Income and Expenses		
Other Non Operating Expenses	\$ -	\$ -
Gains (Losses) on Sale of Assets	\$ -	\$ -
Interest Income	\$ -	\$ -
Interest Expense	\$ -	\$ -
Owner Rental Commissions	\$ -	\$ -
Net Non Operating Income or (Expenses)	<u>\$ -</u>	<u>\$ -</u>
Reorganization Expenses		
Legal & Professional Expenses	\$ -	\$ -
Other Reorganizational Expenses	\$ -	\$ -
Total Reorganizational Expenses	<u>\$ -</u>	<u>\$ -</u>
<b>Net Income (loss) Before Income Taxes</b>	<u>\$ -</u>	<u>\$ -</u>
Federal & State Income Tax Expense (Benefit)	\$ -	\$ -
<b>NET INCOME (LOSS)</b>	<u>\$ -</u>	<u>\$ -</u>

**DEBTOR**Document Page 8 of 13  
EASY STREET HOLDING **CASE NO.** 09-29905

**Form 2-E**  
**SUPPORTING SCHEDULES**  
**For Period October 1 - 31, 2009**

**POST PETITION TAXES PAYABLE SCHEDULE**

	<b>Beginning Balance</b>	<b>Amount Accrued</b>	<b>Amount Paid</b>	<b>Date Paid</b>	<b>Check Number</b>	<b>Ending Balance</b>
Income Tax Withheld Federal State						
FICA Tax Withheld						
Employers Fica Tax						
Unemployment Tax Federal State						
Sales,Use & Excise Tax						
Property Tax						
Accured Income Tax Federal State Other						
<b>TOTALS</b>	\$ -	\$ -	\$ -			\$ -

(1) For first report, Beginning Balance will be \$0: Beginning Balance will be Ending Balance from prior report

**INSURANCE SCHEDULE**

	<b>Carrier</b>	<b>Amount of Coverage</b>	<b>Expiration Date</b>	<b>Premium Paid Through</b>
Workers Compensation				
General Liability				
Property (Fire Theft)				
Vehicle				
Others				
		\$ -		



**DEBTOR**Document Page 9 of 13  
EASY STREET HOLDING **CASE NO.** 09-29905**Form 2-E**  
**SUPPORTING SCHEDULES**  
**For Period October 1 - 31, 2009****ACCOUNTS RECEIVABLE & POST PETITION PAYABLE SCHEDULE**

<b>DUE</b>	<b>ACCOUNTS RECEIVABLE</b>	<b>POST PETITION ACCOUNTS PAYABLE</b>
Under 30 Days		
31 to 60 Days		
61 to 90 Days		
91 to 120 Days		
Over 120 Days		
<b>TOTAL POST PETITION</b>	<u>\$ -</u>	
<b>PRE PETITION AMOUNT</b>	<u>                    </u>	
Total Accounts Receivable		
Less: Bad Debt Reserve		
<b>Net Accounts Receivable (to Form 2-C)</b>	<u><u>\$ -</u></u>	

Total Post Petition                       
 Accounts Payable \$ -

**\*Attach a detail listing accounts receivable and post petition accounts payable****SCHEDULE OF PAYMENTS TO ATTORNEYS & OTHER PROFESSIONALS**

<b>Month End Retainer Balance</b>	<b>Current Month's Accrual</b>	<b>Paid in Current Month</b>	<b>Date of Court Approval</b>		<b>Month End Balance Due*</b>
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Debtor's Counsel  
 Counsel for Unsecured  
 Creditors Committee  
 Trustee Counsel  
 Accountant  
 Other

Total	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>
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\* Balance due to include fees and expenses incurred but not yet paid.

**Schedule of Payments & Transfers to Principals / Executives\*\***

Payee Name	Position	Nature of Payment	Amount
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\*\* List payments and transfers of any kind and in any form made to or for the benefit of any proprietor owner, partner, officer, or director.

**DEBTOR**

**CASE NO.** 09-29905

**Form 2-F  
QUARTERLY FEE SUMMARY\*  
For Period Ending October 31, 2009**

Month	Year	Cash Disbursement**	Quarterly Fee Due	Check Number	Date Paid
January					
February					
March					
Total 1st Qtr		\$ -			
April					
May					
June					
Total 2nd Qtr		\$ -			
July					
August					
September			\$ 325.00		
Total 3rd Qtr		\$ -			
October			\$ 325.00		
November					
December					
Total 4th Qtr		\$ -			

**FEE SCHEDULE (AS OF JANUARY 1, 2008)**

Quarterly Disbursements			Fee
\$ -	to	\$ 14,999	\$ 325.00
\$ 15,000	to	\$ 74,999	\$ 650.00
\$ 75,000	to	\$ 149,999	\$ 975.00
\$ 15,000	to	\$ 224,999	\$ 1,625.00
\$ 225,000	to	\$ 299,999	\$ 1,950.00
\$ 300,000	to	\$ 999,999	\$ 4,875.00
\$ 1,000,000	to	\$ 1,999,999	\$ 65,000.00
\$ 2,000,000	to	\$ 2,999,999	\$ 9,750.00
\$ 3,000,000	to	\$ 4,999,999	\$ 10,400.00
\$ 5,000,000	to	\$ 14,999,999	\$ 13,000.00
\$ 15,000,000	to	\$ 29,999,999	\$ 20,000.00
\$ 30,000,000	to	more	\$ 30,000.00

\* This summary is to reflect the current year's information cumulative to the end of the reporting period

\*\*Should agree with line 3 Form 2-B. Disbursements are net of transfers to other debtor in possession bank accounts

Failure to pay the quarterly fee is cause for conversion or dismissal of the chapter 11 case.[11USC Sec 112(b)(10)]

In addition, unpaid fees are considered a debt owed the United States and will be assessed interest under 31 USC 3717

**DEBTOR** EASY STREET HOLDING **CASE NO.** 09-29905

**Form 2-G  
NARRATIVE  
For Period Ending October 31, 2009**

Please provide a brief description of any significant business and legal actions taken by the debtor, its creditors or the court during the reporting period, any unusual or non recurring accounting transactions that are reported in the financial statements, and any significant changes in the financial conditions of the debtor which have occurred subsequent to the report date.

The Cash Collateral Stipulation was approved to provide funding from the Escrow Accounts for the property through December 31, 2009.

The Unsecured Creditors Committee was formed. The committee retained local counsel to represent their interests.

The property has established a weekly process for funding requests to the Senior Lender. A worksheet was developed and approved that the Borrower is to use and submit to the Senior Lender for funding. The Borrower is to provide the request and the Senior Lender is to review and provide funds within two working days per the Stipulation.

Four firms to provide co manager / restructuring to the Borrower were interviewed by the Borrower and Senior Lender. It is anticipated that the selection will be made the first week of November.

In October the property operated at levels that were well above budgeted expectations approved by the Court.

The Cash Collateral Stipulation was approved to provide funding from the Escrow Accounts for the property through December 31, 2009.

**EASY STREET HOLDINGS**  
**Balance Sheet**  
**As of October 31, 2009**

Current ratio [A/B]	-
Quick ratio [(A-C)/B]	-
Cash ratio [D/B]	-

Working capital [A-B]	\$ (539,743)
Debt-to-equity ratio [(G+H)/F]	0.00
Debt ratio [(G+H)/E]	0.00

ASSETS		% of ASSETS
<b>Current assets</b>		
Cash and cash equivalents [D]	-	0.0%
Short-term investments	-	0.0%
Accounts receivable [I]	-	0.0%
Inventories [C]	-	0.0%
Deferred income taxes	-	0.0%
Prepaid expenses and other current assets	-	0.0%
<b>Total current assets [A]</b>	\$ -	0.0%

<b>Fixed assets</b>		
Land and Improvements	-	0.0%
Building and Improvements	-	
Furniture, Fixtures, and Equipment	-	
Less accumulated depreciation	-	0.0%
<b>Total fixed assets</b>	\$ -	0.0%

<b>Other assets</b>		
Net Equity Easy Street Mezzanine	4,435,789	100.0%
Equity investments	-	0.0%
Deferred income taxes	-	0.0%
Fractional Unit Inventory	-	0.0%
<b>Total other assets</b>	\$ 4,435,789	100.0%
<b>Total assets [E]</b>	\$ 4,435,789	100.0%

LIABILITIES & OWNERS' EQUITY		% of ASSETS
<b>Current liabilities</b>		
Loans payable and current portion long-term debt [H]	-	0.0%
Accounts payable and accrued expenses	539,743	12.2%
Income taxes payable	-	0.0%
Accrued retirement and profit-sharing contributions	-	0.0%

<b>Total current liabilities [B]</b>	\$ 539,743	12.2%
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<b>Other liabilities</b>		
Long-term debt [G]	-	0.0%
Accrued retirement costs	-	0.0%
Deferred income taxes	-	0.0%
Deferred credits and other liabilities	-	0.0%

<b>Total other liabilities</b>	\$ -	0.0%
<b>Total liabilities</b>	\$ 539,743	12.2%
<b>Total owners' equity [F]</b>	\$ 3,896,046	87.8%
<b>Total liabilities + owners' equity</b>	\$ 4,435,789	100.0%

Bay North has secured interest in all assets of Easy Street Holdings.

EASY STREET HOLDINGS	Current	1 - 30	31 - 60	61 - 90	> 90	TOTAL
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CloudNine Resorts SL- Developement	0.00	0.00	0.00	0.00	422,737.67	422,737.67
David Wickline	0.00	36.66	0.00	0.00	1,499.30	1,535.97
Frank Rimerman & Co. LLP	12.51	1,381.03	0.00	0.00	0.00	1,393.55
Goodrich & Thomas, CPAs	0.00	4,655.00	0.00	0.00	11,445.00	16,100.00
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	2,898.86	9,032.91	15,551.84	7,083.61	505,175.30	539,742.56